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# INTERNATIONAL SUGAR AGREEMENT, 1992

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## CHAPTER I. OBJECTIVES

### Article 1

### Objectives

The objectives of the International Sugar Agreement, 1992 (hereinafter referred to as this Agreement), in the light of the terms of resolution 93 (IV) adopted by the United Nations Conference on Trade and Development, are:

(a) To ensure enhanced international cooperation in connection with world sugar matters and related issues;

(b) To provide a forum for intergovernmental consultations on sugar and on ways to improve the world sugar economy;

(c) To facilitate trade by collecting and providing information on the world sugar market and other sweeteners;

(d) To encourage increased demand for sugar, particularly for non-traditional uses.

## CHAPTER II. DEFINITIONS

### Article 2

### Definitions

For the purpose of this Agreement:

1. "Organization" means the International Sugar Organization referred to in article 3;

2. "Council" means the International Sugar Council referred to in article 3, paragraph 3;

3. "Member" means a Party to this Agreement;

4. "special vote" means a vote requiring at least two thirds of the votes cast by Members present and voting, on condition that these votes are cast by at least two thirds of the number of Members present and voting;

5. "simple majority vote" means a vote requiring more than half of the total votes of Members present and voting, on condition that these votes are cast by at least half of the number of Members present and voting;

6. "year" means the calendar year;

7. "sugar" means sugar in any of its recognized commercial forms derived from sugar cane or sugar beet, including edible and fancy molasses, syrups and any other form of liquid sugar, but does not include final molasses or low-grade types of non-centrifugal sugar produced by primitive methods;

8. "entry into force" means the date on which this Agreement enters into force provisionally or definitively, as provided for in article 40;

9. "free market" means the total of net imports of the world market, except those resulting from the operation of special arrangements as defined in chapter IX of the International Sugar Agreement, 1977;

10. "world market" means the international sugar market and includes both sugar traded on the free market and sugar traded under special arrangements as defined in chapter IX of the International Sugar Agreement, 1977.

## CHAPTER III. INTERNATIONAL SUGAR ORGANIZATION

### Article 3

### Continuation, headquarters and structure of the International Sugar Organization

1. The International Sugar Organization established under the International Sugar Agreement, 1968, and maintained in existence under the International Sugar Agreements, 1973, 1977, 1984 and 1987, shall continue in being for the purpose of administering this Agreement and supervising its operation, with the membership, powers and functions set out in this Agreement.

2. The headquarters of the Organization shall be in London, unless the Council decides otherwise by special vote.

3. The Organization shall function through the International Sugar Council, its Administrative Committee and its Executive Director and staff.

### Article 4

### Membership of the Organization

Each Party to this Agreement shall be a Member of the Organization.

### Article 5

### Membership by intergovernmental organizations

Any reference in this Agreement to a "Government" or "Governments" shall be construed as including the European Economic Community and any other intergovernmental organization having responsibilities in respect of the negotiation, conclusion and application of international agreements, in particular commodity agreements. Accordingly, any reference in this Agreement to signature, ratification, acceptance or approval, or to notification of provisional application or to accession shall, in the case of such intergovernmental organizations, be construed as including a reference to signature, ratification, acceptance, or approval, or to notification of provisional application, or to accession, by such intergovernmental organizations.

## Article 6

## Privileges and immunities

1. The Organization shall have international legal personality.

2. The Organization shall have the capacity to contract, to acquire and dispose of movable and immovable property and to institute legal proceedings.

3. The status, privileges and immunities of the Organization in the territory of the United Kingdom shall continue to be governed by the Headquarters Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the International Sugar Organization signed at London on 29 May 1969, with such amendments as may be necessary for the proper functioning of this Agreement.

4. If the seat of the Organization is moved to a country which is a Member of the Organization, that Member shall, as soon as possible, conclude with the Organization an agreement to be approved by the Council relating to the status, privileges and immunities of the Organization, of its Executive Director, staff and experts and of representatives of Members while in that country for the purpose of exercising their functions.

5. Unless any other taxation arrangements are implemented under the agreement envisaged in paragraph 4 of this article and pending the conclusion of that agreement the new host Member shall:

(a) Grant exemption from taxation on the remuneration paid by the Organization to its employees, except that such exemption need not apply to its own nationals; and

(b) Grant exemption from taxation on the assets, income and other property of the Organization.

6. If the seat of the Organization is to be moved to a country which is not a Member of the Organization, the Council shall, before that move, obtain a written assurance from the Government of that country:

(a) That it shall, as soon as possible, conclude with the Organization an agreement as described in paragraph 4 of this article; and

(b) That, pending the conclusion of such an agreement, it shall grant the exemptions provided for in paragraph 5 of this article.

7. The Council shall endeavour to conclude the agreement described in paragraph 4 of this article with the Government of the country to which the seat of the Organization is to be moved before transferring the seat.

## CHAPTER IV. INTERNATIONAL SUGAR COUNCIL

### Article 7

### Composition of the International Sugar Council

1. The highest authority of the Organization shall be the International Sugar Council, which shall consist of all the Members of the Organization.

2. Each Member shall have one representative in the Council, and if it so desires, one or more alternates. Furthermore, a Member may appoint one or more advisers to its representatives or alternates.

### Article 8

### Powers and functions of the Council

1. The Council shall exercise all such powers and perform or arrange for the performance of all such functions as are necessary to carry out the provisions of this Agreement and to pursue the liquidation of the Stock Financing Fund established under article 49 of the International Sugar Agreement, 1977, as delegated by the Council under that Agreement to the Council under the International Sugar Agreement, 1984, and the International Sugar Agreement, 1987, pursuant to article 8, paragraph 1, of the latter.

2. The Council shall adopt, by special vote, such rules and regulations as are necessary to carry out the provisions of this Agreement and are consistent therewith, including rules of procedure for the Council and its committees, and the financial and staff regulations of the Organization. The Council may, in its rules of procedure, provide a procedure whereby it may, without meeting, decide specific questions.

3. The Council shall keep such records as are required to perform its functions under this Agreement and such other records as it considers appropriate.

4. The Council shall publish an annual report and such other information as it considers appropriate.

### Article 9

### Chairman and Vice-Chairman of the Council

1. For each year, the Council shall elect from among the delegations a Chairman and a Vice-Chairman, who may be re-elected and shall not be paid by the Organization.

2. In the absence of the Chairman, the duties of the post shall be carried out by the Vice-Chairman. In the temporary absence of both the Chairman and the Vice-Chairman or the permanent absence of one or both, the Council may elect from among the delegations new officers, temporary or permanent as appropriate.

3. Neither the Chairman nor any other officer presiding at meetings of the Council shall vote. They may, however, appoint another person to exercise the voting rights of the Member which they represent.

## Article 10

## Sessions of the Council

1. As a general rule, the Council shall hold one regular session in each year.

2. In addition, the Council shall meet in special session whenever it so decides or at the request of:

(a) Any five Members;

(b) Two or more Members holding collectively 250 votes or more under article 11 as determined under article 25; or

(c) The Administrative Committee.

3. Notice of sessions shall be given to Members at least 30 calendar days in advance, except in case of emergency, when such notice shall be given at least 10 calendar days in advance.

4. Sessions shall be held at the headquarters of the Organization unless the Council decides otherwise by special vote. If any Member invites the Council to meet elsewhere than at the headquarters of the Organization, and the Council agrees so to do, that Member shall pay the additional costs involved.

## Article 11

## Votes

1. For the purpose of voting under this Agreement, Members shall hold a total of 2,000 votes distributed as determined under article 25.

2. Whenever a Member has its voting rights suspended under article 26, paragraph 2, of this Agreement, its votes shall be distributed among the other Members according to their shares as determined under article 25. The same procedure shall apply when the Member recovers its voting rights, the Member concerned being included in the distribution.

## Article 12

## Voting procedure of the Council

1. Each Member shall be entitled to cast the number of votes it holds under article 11 as determined under article 25. It shall not be entitled to divide such votes.

2. By informing the Chairman in writing, any Member may authorize any other Member to represent its interests and to cast its votes at any meeting or meetings of the Council. A copy of such authorizations shall be examined by any credentials committee that may be set up under the rules of procedure of the Council.

3. A Member authorized by another Member to cast the votes held by the authorizing Member under article 11 as determined under article 25 shall cast such votes as authorized and in accordance with paragraph 2 of this article.

## Article 13

## Decisions of the Council

1. All decisions of the Council shall be taken and all recommendations shall be made, in principle, by consensus. In the absence of consensus, decisions and recommendations shall be made by simple majority vote, unless this Agreement provides for a special vote.

2. In arriving at the number of votes necessary for any decision of the Council, votes of Members abstaining shall not be reckoned and those Members shall not be considered as "voting" for the purposes of article 2, definition 4 or definition 5, as the case may be. Where a Member avails itself of the provisions of article 12, and its votes are cast at a meeting of the Council, such Member shall, for the purposes of paragraph 1 of this article, be considered as present and voting.

3. All decisions of the Council under this Agreement shall be binding upon Members.

## Article 14

## Cooperation with other organizations

1. The Council shall make whatever arrangements are appropriate for consultation or cooperation with the United Nations and its organs, in particular the United Nations Conference on Trade and Development, and with the Food and Agriculture Organization and such other specialized agencies of the United Nations and intergovernmental organizations as may be appropriate.

2. The Council, bearing in mind the particular role of the United Nations Conference on Trade and Development in international commodity trade, shall as appropriate keep the United Nations Conference on Trade and Development informed of its activities and programmes of work.

3. The Council may also make whatever arrangements are appropriate for maintaining effective contact with international organizations of sugar producers, traders and manufacturers.

## Article 15

## Relationship with the Common Fund for Commodities

1. The Organization shall take full advantage of the facilities of the Common Fund for Commodities.

2. In respect of the implementation of any project under paragraph 1 of this article, the Organization shall not act as an executing agency, nor incur any financial obligation for guarantees given by individual Members or other entities. No Member shall be responsible by reason of its membership in the Organization for any liability arising from borrowing or lending by any other Member or entity in connection with such projects.

## Article 16

## Admission of observers

1. The Council may invite any non-member State to attend any of its meetings as an observer.

2. The Council may also invite any of the organizations referred to in article 14, paragraph 1, to attend any of its meetings as an observer.

## Article 17

## Quorum for the Council

The quorum for any meeting of the Council shall be the presence of more than two thirds of all Members, the Members thus present holding at least two thirds of the total votes of all Members under article 11 as determined under article 25. If there is no quorum on the day appointed for the opening of any Council session, or if in the course of any Council session there is no quorum at three successive meetings, the Council shall be convened seven days later, at that time, and throughout the remainder of that session, the quorum shall be the presence of more than half of all Members, the Members thus present representing more than half of the total votes of all Members under article 11 as determined under article 25. Representation in accordance with article 12, paragraph 2, shall be considered as presence.

## CHAPTER V. ADMINISTRATIVE COMMITTEE

### Article 18

### Composition of the Administrative Committee

1. The Administrative Committee shall consist of 18 members. Ten shall, in principle, be the 10 largest financial contributing Members in each year, and eight members shall be elected from the remaining Membership of the Council.

2. If one or more of the 10 largest financial contributing Members in each year does not wish to be automatically appointed to the Administrative Committee, the shortfall in membership shall be made good by appointing the next largest financial contributing Member or Members willing to serve. When those 10 members of the Administrative Committee have thus been appointed, the other eight members of the Committee shall be elected from the remaining Membership of the Council.

3. The election of the additional eight members shall take place each year on the basis of votes under article 11 as determined under article 25. The Members appointed to the Administrative Committee under the provisions of paragraph 1 or 2 of this article shall not be entitled to vote in this election.

4. No Member shall be eligible to sit on the Administrative Committee unless it has paid its contributions in full in accordance with article 26.

5. Each member of the Administrative Committee shall appoint one representative and may appoint in addition one or more alternates and advisers. In addition, all Members of the Council shall be eligible to attend this Committee as observers and may be invited to speak.

6. The Administrative Committee shall elect its Chairman and Vice-Chairman for each year. The Chairman shall not have the right to vote and may be re-elected. In the absence of the Chairman, the duties of the post shall be carried out by the Vice-Chairman.

7. The Administrative Committee shall normally meet three times a year.

8. The Administrative Committee shall meet at the headquarters of the Organization, unless it decides otherwise. If any Member invites the Administrative Committee to meet elsewhere than at the headquarters of the Organization, and the Administrative Committee agrees so to do, that Member shall pay the additional costs involved.

## Article 19

### Election to the Administrative Committee

1. The Members selected from among the largest financial contributing Members in each year under the procedure in paragraphs 1 or 2 of article 18 shall be appointed to the Administrative Committee.

2. The election of the additional eight members of the Administrative Committee shall take place in the Council. Each Member eligible pursuant to the provisions of article 18, paragraphs 1, 2, and 3, shall cast all the votes to which it is entitled under article 11 as determined under article 25 for a single candidate. A Member may cast for another candidate any votes which it exercises pursuant to article 12, paragraph 2. The eight candidates receiving the largest number of votes shall be elected.

3. If a member of the Administrative Committee is suspended from the exercise of its voting rights under any of the relevant provisions of this Agreement, each Member which has voted for it or assigned its votes to it in accordance with this article may, during such time as that suspension is in force, assign its votes to any other member of the Committee.

4. If a Member appointed to the Committee under the provisions of paragraph 1 or 2 of article 18 ceases to be a Member of the Organization, it shall be replaced by the next largest financial contributing Member willing to serve and, if necessary, an election shall be held to select an additional elected member of the Committee. If a Member elected to the Committee ceases to be a Member of the Organization, an election shall be held to replace that Member on the Committee. Any Member which voted for or assigned its votes to the Member which has ceased to be a Member of the Organization, and which does not vote for the Member elected to fill the vacancy on the Committee, may assign its votes to another member of the Committee.

5. In special circumstances, and after consultation with the member of the Administrative Committee for which it voted or to which it assigned its votes in accordance with the provisions of this article, a Member may withdraw its votes from that member for the remainder of the year. That Member may then assign these votes to another member of the Administrative Committee but may not withdraw these votes from that other member for the remainder of that year. The member of the Administrative Committee from which the votes have been withdrawn shall retain its seat on the Administrative Committee for the remainder of that year. Any action taken pursuant to the provisions of this paragraph shall become effective after the Chairman of the Administrative Committee has been informed in writing thereof.

## Article 20

### Delegation of powers by the Council to the Administrative Committee

1. The Council may, by special vote, delegate to the Administrative Committee the exercise of any or all of its powers, other than the following:

(a) Location of the headquarters of the Organization under article 3, paragraph 2;

(b) Appointment of the Executive Director and any senior official under article 23;

(c) Adoption of the administrative budget and assessment of contributions under article 25;

(d) Any request to the Secretary-General of the United Nations Conference on Trade and Development to convene a negotiating conference under article 35, paragraph 2;

(e) Recommendation of an amendment under article 44;

(f) Extension or termination of this Agreement under article 45.

2. The Council may at any time revoke the delegation of any power to the Administrative Committee.

## Article 21

### Voting procedure and decisions of the Administrative Committee

1. Each member of the Administrative Committee shall be entitled to cast the number of votes received by it under article 19, and cannot divide these votes.

2. Any decision taken by the Administrative Committee shall require the same majority as that decision would require if taken by the Council and shall be reported to the Council.

3. Any Member shall have the right of appeal to the Council, under such conditions as the Council may prescribe in its rules of procedure, against any decision of the Administrative Committee.

## Article 22

### Quorum for the Administrative Committee

The quorum for any meeting of the Administrative Committee shall be the presence of more than half of all members of the Committee, the members thus present representing at least two thirds of the total votes of all members of the Committee.

## CHAPTER VI. EXECUTIVE DIRECTOR AND STAFF

### Article 23

### Executive Director and staff

1. The Council shall appoint the Executive Director by special vote. The terms of appointment of the Executive Director shall be fixed by the Council.

2. The Executive Director shall be the chief administrative officer of the Organization and shall be responsible for the performance of the duties devolving upon him in the administration of this Agreement.

3. The Council, after consulting the Executive Director, shall by special vote appoint any senior official on such terms as it shall determine.

4. The Executive Director shall appoint other members of the staff in accordance with regulations and decisions of the Council.

5. The Council, in accordance with article 8, shall adopt rules and regulations embodying the fundamental conditions of service and the basic rights, duties and obligations of all members of the Secretariat.

6. Neither the Executive Director nor any member of the staff shall have any financial interest in the sugar industry or sugar trade.

7. Neither the Executive Director nor any member of the staff shall seek or receive instructions regarding their duties under this Agreement from any Member or from any authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization. Each Member shall respect the exclusively international character of the responsibilities of the Executive Director and staff and shall not seek to influence them in the discharge of their responsibilities.

## CHAPTER VII. FINANCE

### Article 24

### Expenses

1. The expenses of delegations to the Council, the Administrative Committee or any of the committees of the Council or of the Administrative Committee shall be met by the Members concerned.

2. The expenses necessary for the administration of this Agreement shall be met by annual contributions from Members, assessed in accordance with article 25. If, however, a Member requests special services, the Council may require that Member to pay for them.

3. Appropriate accounts shall be kept for the administration of this Agreement.

### Article 25

### Adoption of the administrative budget and contributions of Members

1. For the purpose of this article Members shall hold 2000 votes.

2. (a) Each Member shall hold the number of votes specified in the annex, which shall be adjusted in accordance with sub-paragraph (d) below.

(b) No Member shall hold fewer than six votes.

(c) There shall be no fractional votes. Rounding shall be permitted in the process of calculation and to ensure that the full number of votes is allocated.

(d) Votes in the annex which are not taken up at the time of the entry into force of this Agreement shall be apportioned among individual Members, other than those holding six votes in the annex. The unallocated votes shall be distributed in the proportion that the number of their votes in the annex bears to the total number of votes of all Members holding more than six votes.

3. Votes shall be revised on an annual basis according to the following procedure:

(a) Each year, including the year of entry into force of this Agreement, at the time of the publication of the Sugar Year Book by the International Sugar Organization, a composite tonnage basis shall be calculated for each Member which shall comprise:

35 per cent of that Member's exports to the free market
plus
15 per cent of that Member's total exports under special arrangements
plus
35 per cent of that Member's free market imports
plus
15 per cent of that Member's total imports under special arrangements.

The data used to calculate the composite tonnage basis of each Member shall be, for each category above, the average of that category for the highest three of the four last years published in the most recent edition of the Organization's Sugar Year Book. The share of each Member in the total of all Members' composite tonnage bases shall be calculated by the Executive Director. All the above data will be distributed to Members at the time that the calculations are made.

(b) For the second and subsequent years after the entry into force of this Agreement, the votes of each Member shall be adjusted by the change in their share in the total of all Members' composite tonnage bases from that for the same membership for the previous year.

(c) Members holding six votes shall not be subject to an upward adjustment under the provisions of sub-paragraph (b) above unless their share of the total of all Members' composite tonnage bases exceeds 0.3 per cent.

4. In the event of the accession of a Member or Members after the entry into force of this Agreement, their votes shall be determined according to the annex as adjusted in the light of paragraphs 2 and 3 above. If the acceding Member or Members are not listed in the annex of this Agreement, the Council shall decide the number of votes to be allocated to that Member or Members. Following the acceptance by the acceding Member or Members not listed in the annex of the number of votes allocated by the Council, the votes of existing Members shall be re-calculated so that the total of votes remains at 2000.

5. In the event of the withdrawal of a Member or Members, the votes of the withdrawing Member or Members shall be redistributed to the remaining Members in proportion to their share in the total of all remaining Member votes so that the total of the votes of all Members remains at 2000.

6. Transitional arrangements:

(a) The following provisions apply only to Members of the International Sugar Agreement, 1987, as of 31 December 1992 and are limited to the first two calendar years after the entry into force of this Agreement (that is up to 31 December 1994).

(b) The total number of votes allocated to each Member in 1993 shall not exceed 1.33 multiplied by that Member's votes in 1992 under the International Sugar Agreement, 1987, and in 1994 shall not exceed 1.66 multiplied by that Member's votes in 1992 under the International Sugar Agreement, 1987.

(c) For the purpose of establishing the contribution per vote, votes not taken up due to the application of paragraph 6 (b) above shall not be redistributed to other Members. Hence, the contribution per vote will be determined on the basis of the reduced number of overall votes.

7. The provisions of article 26, paragraph 2, relating to the suspension of voting rights for non-fulfilment of obligations, shall not apply to this article.

8. During the second half of each year, the Council shall adopt the administrative budget of the Organization for the following year and shall determine the per vote contribution of Members required to meet that budget, in the first two years after taking into account the provisions of paragraph 6 of this article.

9. The contribution of each Member to the administrative budget shall be calculated by multiplying the per vote contribution by the number of votes held by it under this article, as follows:

(a) For those which are Members at the time of the final adoption of the administrative budget, the number of votes which they then hold; and

(b) For those which become Members after the adoption of the administrative budget, the number of votes which they receive at the time of taking up membership, adjusted in proportion to the remainder of the period covered by the budget or budgets; assessments made upon other Members shall not be altered.

10. If this Agreement enters into force more than eight months before the beginning of its first full year, the Council shall at its first session adopt an administrative budget covering the period up to the commencement of the first full year. Otherwise, the first administrative budget shall cover both the initial period and the first full year.

11. The Council may, by special vote, take such measure as it might deem appropriate in order to mitigate the effects on Members' contributions resulting from a possibly limited membership at the time of the adoption of the administrative budget for the first year of this Agreement or from any major decrease of membership thereafter.

## Article 26

## Payment of contributions

1. Members shall pay their contributions to the administrative budget for each year in accordance with their respective constitutional procedures. Contributions to the administrative budget for each year shall be payable in freely convertible currencies and shall become due on the first day of that year; contributions of Members in respect of the year in which they join the Organization shall be due on the date on which they become Members.

2. If, at the end of four months following the date on which its contribution is due in accordance with paragraph 1 of this article, a Member has not paid its full contribution to the administrative budget, the Executive Director shall request the Member to make payment as quickly as possible. If, at the expiration of two months after the request of the Executive Director, the Member has still not paid its contribution, its voting rights in the Council and in the Administrative Committee shall be suspended until such time as it has made full payment of the contribution.

3. The Council may decide, by special vote, that a Member with two years contributions unpaid shall cease to enjoy the rights of membership and/or cease to be assessed for budgetary purposes. It shall remain liable to meet any other of its financial obligations under this Agreement. By payment of the arrears the Member will regain the rights of membership. Any payments made by Members in arrears will be credited first to those arrears, rather than to current contributions.

## Article 27

## Audit and publication of accounts

As soon as possible after the close of each year, the financial statements of the Organization for that year, certified by an independent auditor, shall be presented to the Council for approval and publication.

## CHAPTER VIII. GENERAL UNDERTAKINGS OF MEMBERS

### Article 28

### Undertakings by Members

Members undertake to adopt such measures as are necessary to enable them to fulfil their obligations under this Agreement and fully to cooperate with one another in securing the attainment of the objectives of this Agreement.

### Article 29

### Labour standards

Members shall ensure that fair labour standards are maintained in their respective sugar industries and, as far as possible, shall endeavour to improve the standard of living of agricultural and industrial workers in the various branches of sugar production and of growers of sugar cane and sugar beet.

### Article 30

### Environmental aspects

Members shall give due consideration to environmental aspects in all stages of sugar production.

### Article 31

### Financial liability of Members

Each Member's financial liability to the Organization and to other Members is limited to the extent of its obligations concerning contributions to the administrative budgets adopted by the Council under this Agreement.

## CHAPTER IX. INFORMATION AND STUDIES

### Article 32

### Information and studies

1. The Organization shall act as a centre for the collection and publication of statistical information and studies on world production, prices, exports and imports, consumption and stocks of sugar (including both raw and refined sugar as appropriate) and other sweeteners, as well as taxes on sugar and other sweeteners.

2. Members undertake to supply within the time which may be prescribed in the rules of procedure all available statistics and information as may be identified in those rules as necessary to enable the Organization to discharge its functions under this Agreement. Should this become necessary, the Organization shall use such relevant information as may be available to it from other sources. No information shall be published by the Organization which might serve to identify the operations of persons or companies producing, processing or marketing sugar.

### Article 33

### Market evaluation, consumption and statistics

1. The Council shall establish a Committee on Sugar Market Evaluation, Consumption and Statistics, composed of all Members, under the Chairmanship of the Executive Director.

2. The Committee shall keep under continuous review matters relating to the world economy of sugar and other sweeteners and shall apprise Members of the outcome of its deliberations, for which purpose it shall hold meetings, normally twice a year. In its review, the Committee shall take account of all relevant information gathered by the Organization pursuant to article 32.

3. The Committee shall undertake work in the following areas:

(a) Preparation of sugar statistics and statistical analysis of sugar production, consumption, stocks, international trade and prices;

(b) Analysis of market behaviour and factors which affect it, with special reference to participation of developing countries in world trade;

(c) Analysis of demand for sugar, including the effects of the use of any form of natural and artificial substitutes for sugar on world trade in, and consumption of, sugar;

(d) Other issues as approved by the Council.

4. Each year the Council shall consider a draft forward work programme, with estimated resource requirements, prepared by the Executive Director.

## CHAPTER X. RESEARCH AND DEVELOPMENT

### Article 34

### Research and development

In order to achieve the objectives set out in article 1, the Council may assist both in scientific research and development in the sugar economy and in the dissemination of the results obtained in this field. To this end, the Council may cooperate with international organizations and research institutions on condition that no additional financial obligations are incurred by the Council.

## CHAPTER XI. PREPARATIONS FOR A NEW AGREEMENT

### Article 35

### Preparations for a new agreement

1. The Council may study the feasibility of negotiating a new international sugar agreement, including a possible agreement with economic provisions, and report to the Members and make such recommendations as it deems appropriate.

2. The Council may, as soon as it considers appropriate, request the Secretary-General of the United Nations Conference on Trade and Development to convene a negotiating conference.

## CHAPTER XII. FINAL PROVISIONS

### Article 36

### Depositary

The Secretary-General of the United Nations is hereby designated as the depositary of this Agreement.

### Article 37

### Signature

This Agreement shall be open for signature at the United Nations Headquarters from 1 May until 31 December 1992 by any Government invited to the United Nations Sugar Conference, 1992.

### Article 38

### Ratification, acceptance and approval

1. This Agreement shall be subject to ratification, acceptance or approval by the signatory Governments in accordance with their respective constitutional procedures.

2. Instruments of ratification, acceptance or approval shall be deposited with the depositary not later than 31 December 1992. The Council may, however, grant extensions of time to signatory Governments which are unable to deposit their instruments by that date.

### Article 39

### Notification of provisional application

1. A signatory Government which intends to ratify, accept or approve this Agreement or a Government for which the Council has established conditions for accession but which has not yet been able to deposit its instrument may, at any time, notify the depositary that it will apply this Agreement provisionally either when it enters into force in accordance with article 40 or, if it is already in force, at a specified date.

2. A Government which has notified under paragraph 1 of this article that it will apply this Agreement either when it enters into force or, if it is already in force, at a specified date shall, from that time, be a provisional Member until it deposits its instrument of ratification, acceptance, approval or accession and thus becomes a Member.

## Article 40

## Entry into force

1. This Agreement shall enter into force definitively on 1 January 1993, or on any date thereafter if, by that date instruments of ratification, acceptance, approval or accession have been deposited on behalf of Governments holding 60 per cent of the votes in accordance with the distribution established in the annex to this Agreement.

2. If, by 1 January 1993, this Agreement has not entered into force in accordance with paragraph 1 of this article, it shall enter into force provisionally if by that date instruments of ratification, acceptance or approval or notifications of provisional application have been deposited on behalf of Governments satisfying the percentage requirements of paragraph 1 of this article.

3. If, by 1 January 1993, the required percentages for entry into force of this Agreement in accordance with paragraph 1 or paragraph 2 of this article are not met, the Secretary-General of the United Nations shall invite the Governments on whose behalf instruments of ratification, acceptance or approval or notifications of provisional application have been deposited to decide whether this Agreement shall enter into force definitively or provisionally among themselves, in whole or in part, on such date as they may determine. If this Agreement has entered into force provisionally in accordance with this paragraph, it shall subsequently enter into force definitively upon fulfilment of the conditions set out in paragraph 1 of this article without the necessity of a further decision.

4. For a Government on whose behalf an instrument of ratification, acceptance, approval or accession or a notification of provisional application is deposited after the entry into force of this Agreement in accordance with paragraph 1, 2 or 3 of this article, the instrument or notification shall take effect on the date of deposit and, with regard to notification of provisional application, in accordance with the provisions of article 39, paragraph 1.

## Article 41

## Accession

This Agreement shall be open to accession by the Governments of all States upon conditions established by the Council. Upon accession, the State concerned shall be deemed to be listed in the annex to this Agreement, together with its votes as laid down in the conditions of accession. Accession shall be effected by the deposit of an instrument of accession with the depositary. Instruments of accession shall state that the Government accepts all the conditions established by the Council.

## Article 42

## Withdrawal

1. Any Member may withdraw from this Agreement at any time after the entry into force of this Agreement by giving written notice of withdrawal to the depositary. The Member shall simultaneously inform in writing the Council of the action it has taken.

2. Withdrawal under this article shall be effective 30 days after the receipt of the notice by the depositary.

## Article 43

## Settlement of accounts

1. The Council shall determine any settlement of accounts which it finds equitable with a Member which has withdrawn from this Agreement or has otherwise ceased to be Party to this Agreement. The Organization shall retain any amounts already paid by such Member. Such Member shall be bound to pay any amounts due from it to the Organization.

2. Upon termination of this Agreement, any Member referred to in paragraph 1 of this article shall not be entitled to any share of the proceeds of the liquidation or the other assets of the Organization; nor shall it be burdened with any part of the deficit, if any, of the Organization.

## Article 44

## Amendment

1. The Council may, by special vote, recommend to the Members an amendment of this Agreement. The Council may fix a time after which each Member shall notify the depositary of its acceptance of the amendment. The amendment shall become effective 100 days after the depositary has received notifications of acceptance from Members holding at least two thirds of the total votes of all Members under article 11 as determined under article 25, or on such later date as the Council may have determined by special vote. The Council may fix a time within which each Member shall notify the depositary of its acceptance of the amendment and, if the amendment has not become effective by such time, it shall be considered withdrawn. The Council shall provide the depositary with the information necessary to determine whether the notifications of acceptance received are sufficient to make the amendment effective.

2. Any Member on behalf of which notification of acceptance of an amendment has not been made by the date on which such amendment becomes effective shall, as of that date, cease to be Party to this Agreement, unless such Member has satisfied the Council that acceptance could not be secured in time owing to

difficulties in completing its constitutional procedures and the Council decides to extend for such Member the period fixed for acceptance. Such Member shall not be bound by the amendment before it has notified its acceptance thereof.

## Article 45

### Duration, extension and termination

1. This Agreement shall remain in force until 31 December 1995, unless extended under paragraph 2 of this article or terminated earlier under paragraph 3 of this article.

2. The Council may, by special vote, extend this Agreement beyond 31 December 1995 for successive periods, not exceeding two years on each occasion. Any Member which does not accept any such extension of this Agreement shall so inform the Council in writing and shall cease to be a Party to this Agreement from the beginning of the period of extension.

3. The Council may at any time decide, by special vote, to terminate this Agreement with effect from such date and subject to such conditions as it may determine.

4. Upon termination of this Agreement, the Organization shall continue in being for such time as may be required to carry out its liquidation and shall have such powers and exercise such functions as may be necessary for that purpose.

5. The Council shall notify the depositary of any action taken under paragraph 2 or paragraph 3 of this article.

## Article 46

### Transitional measures

1. Where in accordance with the International Sugar Agreement, 1987, the consequences of anything done, to be done or omitted to be done would, for the purposes of the operation of that Agreement, have taken effect in a subsequent year, those consequences shall have the same effect under this Agreement as if the provisions of the 1987 Agreement had continued in effect for those purposes.

2. The administrative budget of the Organization for 1993 shall be provisionally approved by the Council under the International Sugar Agreement, 1987, at its last regular session in 1992, subject to final approval by the Council under this Agreement at its first session in 1993.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have affixed their signatures under this Agreement on the dates indicated.

DONE at Geneva, this twentieth day of March, one thousand nine hundred and ninety two. The texts of this Agreement in the Arabic, Chinese, English, French, Russian and Spanish languages shall be equally authentic.

ANNEX

## Allocation of votes for the purposes of Article 25

| | | | |
|---|---|---|---|
| Algeria | 38 | Indonesia | 18 |
| Argentina | 22 | Jamaica | 6 |
| Australia | 117 | Japan | 176 |
| Austria | 14 | Madagascar | 6 |
| Barbados | 6 | Malawi | 6 |
| Belarus | 11 | Mauritius | 15 |
| Belize | 6 | Mexico | 49 |
| Bolivia | 6 | Morocco | 14 |
| Brazil | 94 | Nicaragua | 6 |
| Bulgaria | 18 | Norway | 19 |
| Cameroon | 6 | Panama*/ | 6 |
| Colombia | 18 | Papua New Guinea*/ | 6 |
| Congo*/ | 6 | Peru | 9 |
| Costa Rica*/ | 6 | Philippines | 12 |
| Côte d'Ivoire | 6 | Republic of Korea | 59 |
| Cuba | 151 | Romania | 18 |
| Dominican Republic | 23 | Russian Federation | 135 |
| Ecuador | 6 | South Africa | 46 |
| Egypt | 37 | Swaziland | 13 |
| El Salvador | 6 | Sweden | 15 |
| EEC | 332 | Switzerland | 18 |
| Fiji | 12 | Thailand | 85 |
| Finland | 16 | Turkey | 21 |
| Ghana | 6 | Uganda | 6 |
| Guatemala | 16 | United Republic of Tanzania | 6 |
| Guyana | 6 | United States of America | 178 |
| Honduras*/ | 6 | Uruguay | 6 |
| Hungary | 9 | Zimbabwe | 8 |
| India | 38 | | |
| | | Total | 2000 |

*/ Not participating in the United Nations Sugar Conference, 1992, but included because the country is a Member of the International Sugar Organization established by the International Sugar Agreement, 1987.

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